

ENVIRONMENTAL AUDIT WORKSHOP

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Audit definition

CAL/EPA

- ▶ A systematic, documented, periodic, and objective review by regulated entities of facility operations and practices related to meeting environmental requirements.

Audit definition

Chamber of Commerce

- ▶ *The systematic examination of the interactions between any business operation and its surroundings. This includes all emissions to air, land, and water; legal constraints; the effects on the neighboring community, landscape and ecology; and the public's perception of the operating company in the local area. Environmental audit does not stop at compliance with legislation. Nor is it a 'green-washing' public relations exercise. Rather it is a total strategic approach to the organization's activities.*

BENEFITS OF AN AUDIT

- ▶ (1) Meeting regulatory requirements or exceeding those expectations.
- ▶ (2) Cleaning up pollution that already exists and properly disposing of the hazardous material.
- ▶ (3) Disclosing to the investors, both potential and current, the amounts and nature of the preventative measures taken by management. (The requirement for disclosure is the estimated liability must be greater than 10% of the companies net worth.)
- ▶ (4) Operating in a way that environmental damage does not occur.
- ▶ (5) Promoting a company-wide "environmental attitude."

REGULATORY POSITION ON AUDITS

► USEPA

- Double speak on the issue
 - Audit policy does not encourage use
 - Short period to utilize self reporting aspect
 - EPA does not recognize the red area exists
 - Nine conditions for 100% mitigation of penalties
 - On the criminal side, EPA will generally elect not to recommend criminal prosecution.
 - EPA can't count "good"

EPA only likes things it can count

- ▶ Cash
- ▶ Convictions
- ▶ Consent Decrees



New Audit Program

- ▶ Military Base Prototype
 - Edwards AFB
 - Ft. Irwin
- ▶ Enforced through MOU-MOA
- ▶ EMS
- ▶ District to audit the audit
- ▶ Incentives for self disclosure
- ▶ Training